

The Elephant in the Room - See Reply from Jim Gibbon below & Reply from Curt Kinney below

I frequently use the story about the blind men describing an elephant as an example of misconceptions that can be made when people don't have the whole picture of what is being discussed. That's the story where one is feeling the side and calls it a wall, one the leg and calls it a tree, one the tail and calls it a rope, etc. Each one is partially right and all are completely wrong.

In San Ramon we are looking at an Elephant for downtown. Each group is looking at it from a different side, which makes communicating about it difficult.

One side looks at the rear and sees a huge, unattractive animal which will create large amounts of waste, block views, and overwhelm civic uses. These people fear increased traffic and increased energy use. They protest the proposed seven story office buildings that will block the view of Mt. Diablo and reflect glare from the sun. They decry that the Civic portions of the animal are little more than its little tail at the end.

The City Council and planners look at the sides of the elephant. They see a magnificent beast, which will be domesticated by the City to carry financial burdens, bring jobs, provide affordable housing, and transport residents to shops and movies and restaurants. The elephant they see represents prosperity and good fortune for San Ramon.

Yet another group sees the front of the elephant. They see a potentially dangerous animal that will require constant feeding, and if not treated well could go on a rampage destroying everything in its path. Where will the resources come from to feed this beast? What if it isn't full, will it drive the city coffers down and create a depressed inner-city? Where is the money coming from to build this elephant, and what is the city gaining or giving up?

I'm concerned that this elephant was born fully grown. City residents didn't get to see the baby elephant it grew from or to nurture it along. This is the elephant we get and if you don't like it, you must be one of those nay-sayers who objects to everything.

For many years Jim Blickenstaff, Chair of the Mt. Diablo Sierra Club, has vocally opposed projects he considers detrimental to the environment or quality of life in San Ramon. Blickenstaff tends to look at the rear end of most proposals and doesn't like anything that takes up land, creates pollution, or blocks views. That doesn't mean that anyone else who objects to pollution or blocking views is another Blickenstaff.

The Council sees anyone who utters a word in agreement with Blickenstaff as another Blickenstaff. I must say that Blickenstaff seems to think that way too. When I objected to the location of the Civic Center and the height of the office buildings, Blickenstaff said he was glad to see I had come back to the right side. I don't take sides. I look at all sides. If I find nits on the elephant's back that need picking, I'll say so. That doesn't mean I agree with everything Blickenstaff wants, or anyone else who questioned the City Center's design.

Jim Gibbon and Paul Desmarais are not Blickenstaff clones. They are looking head-on at the elephant. What are the costs, what will it eat, what dangers are there that you are not telling us about? Look at those big white tusks, could this whole thing turn into a white elephant?

I dare say that Alex Mehran is looking at that too. While Gibbon criticized the City for giving up valuable land for the City Center, Mehran is also contributing very valuable land in Bishop Ranch 2. Sunset Development is taking on tons of risk, tearing down a profitable office development, building 487 housing units in a housing downturn, enticing high-end anchor stores to locate in San Ramon. Those elephant tusks must look very fearsome pointed straight at Alex Mehran. So if Mehran is working a financial deal with the city, he's also sinking quite a lot into this project for which the City won't be on the hook. The 11 acre property Gibbon says is now worth \$60M, was scheduled to revert back to Sunset anyway.

The City is definitely on the winning end of this deal, but that doesn't excuse the Council's characterization of anyone who asks questions or objects to the project as part of a monolithic group that attacks everything, or is out to raise money through law suits.

I was surprised that the Council made any concessions at all to some of the requests raised in the two appeals filed against the City Center. They voted to add conditions of approval requiring a new Environmental Impact Report for a big box store (e.g. Wal*Mart), an agreement to implement congestion parking fees if other parts of the region were to use it, and to look into the feasibility of solar panels on some of the buildings. But even though the Council approved these changes, they looked to Mehran first for his approval.

State law requires public agencies hold public hearings on public projects, so residents can express their opinions about the project before their representatives vote their approval. The Council will hold more Public Hearings on the City Center, but the law only requires a hearing. It does not require a listening.

Reply from Jim Gibbon, dated 12/26/07

Roz,

I read your commentary with interest. I agree with your assessment for the most part.

I think I speak from a sense of civic duty to speak on issues that I understand as an architect and planner. Sometime you have to speak up when you see a decision as wrong even when it makes you a subject of ridicule or being called a nay-sayer. My opinions sometimes come out in flowery terms but the message is consistent: That government is the public arm of the citizen and must represent their interest, not the government's own interest or the interest of private parties that will want something from the government.

Please publish my commentary if you wish. (Jim's commentary below was also published in the blog of an Editorial in the *Contra Costa Times* on 12/24/07. [The Times Editor also asked for info on the financing.](#))

I have repeatedly requested the financial cost analysis of the project and the financial land purchase or swapping agreements associated with this project.

'I request, under the California Public Records Act, I be provided a copy of the financial arrangements between the city and Sunset Development to develop the city center. This should include the financial arrangements between Chevron, Sunset Development, and the city of San Ramon to purchase and build the new civic and transit centers and the analysis of the viability of the project and the any other rebates, in-liu fee forgiveness, property tax relief, and sale tax sharing, etc.'

I have heard as you did that the document is done and being reviewed for final signature. The following was the response I received back from the city.

Mr. Gibbon:

I received the following information from City Manager Herb Moniz in response to your request:

"The cost analysis and financial arrangements are still in the analysis stage. Until the project and the entitling Development Agreements are finally approved, we are not able to finalize the costs and fiscal arrangements. The value of the land is what it is. The 7.5 acres is subject to a development agreement and the 11 acre parcel will be appraised to determine its value. The negotiations are still in progress and

until they are finalized and presented to the City Council no information can be released concerning the negotiations.”

*Pat Edwards
City Clerk*

Many questions have not been answered as part of the public hearing process. There are questions that should be answered before the final approval of the Development Agreements on January 8th.

Still left unanswered are issues such as:

1. What will happen to the 7.5 and 11 acre parcels?
2. Will the properties be valued at their rezoned current value of about 60 million dollars or their original value of 12 million dollars?
3. Will the city receive any money for the land?
4. What is the financial arrangement between Chevron and the city for the land acquired for the civic center? What will they get in return?
5. Who will build the new civic and transit centers?
6. Who will own the new civic and transit centers?
7. Where is the financial analysis of the viability of the project?
8. What is the financial arrangement between Sunset Development and the city public street improvements?
9. Are there any sales tax rebates, in-lieu fee forgiveness, property tax relief, and future sale tax sharing, etc. that are part of these agreements?
10. What is meant by “equitable interest” when talking about Sunset’s interest in the 18.5 acres that the city owns? Does that mean Sunset Development owns a percentage of the properties?
11. Has Sunset been paying taxes on their interest in the two properties for the years that the city claims to have owned the properties?

Without disclosure and transparency are we to assume ‘all is well’ and the city understands how to negotiate a \$775,000,000.00 project. Are they to ask that we ‘understand’ when the project goes upside down? When the city explains that they relied on the developer’s good faith, will that be enough.

The Development Agreements should not be approved until the financial analysis has been audited by a third party. Or that the people of San Ramon have a chance to approve this project.

Jim Gibbon, AIA
San Ramon for Open Government

Kinney's letter on City Center
(Dated 12/28/07)

I agree with Mr. Gibbon's request for a third party review of the city/civic center project. What kind of deal(s) were made and to whose benefit? I thought we owned the two parcels but evidently there is still a deal between Chevron and Alex (Sunset Development) and/or the city and if so why? The city is claiming it can't release the financials until they are approved - isn't that too late for the citizens to see them and respond. Why the secrecy? Alex/Sunset has always wanted to tear down Bishop Ranch 2 and enlarge it to 4 or 5 stories.

I have always thought that this project was way to large. The traffic is already bad on Bollinger and it can only get worse. The citizens have a right to complain.

If you recall Sunset/Bishop Ranch was opposed to incorporation in 1983 and was not included in the incorporation while they made their deals (development agreements) with the county. Alex is a good business man who does not give anything away. This may not be the best deal for San Ramon.

As you say Roz, we are getting a full grown elephant.

Curt Kinney

Kinney was Mayor of San Ramon in 2000